AMENDMENT 2

Colorado 2007-2008 CONSOLIDATED PLAN ACTION PLAN "Small Cities" Community Development Block Grant Program (CDBG)

The Colorado Department of Local Affairs (DOLA) is submitting to the U.S. Department of Housing and Urban Development (HUD) Region VIII, an amendment to the 2005-2010 Consolidated Plan and 2007-2008 Action Plan pertaining to H.R. 2673-414 (Consolidated Appropriations Act, 2004) SEC 423 Section 106(d) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(d).

DOLA is amending its Plan to combine Community and Development Block Grant (CDBG) 1% Technical Assistance fund with the 2% Administrative Allowance fund. DOLA will not deduct more than three percent (3%) of the total amount of CDBG funds received annually. This fund will be used for both administrative expenses and technical assistance as allowed under the above citation.

SPECIFIC AMENDMENT LANGUAGE

Page 67, 2007-2008 Consolidated Plan Action Plan

V. Method of Funds Distribution

SUBSTITUTE NEW PARAGRAPH #1 UNDER METHOD OF DISTRIBUTION:

Approximately \$10,768,763 in FFY 2007 funds is expected to be allocated to the State for the 2007 program. Of this amount, about \$10,453,387 will be available for commitment to local projects, and about \$423,063 (3% of total, or \$323,063 + \$100,000 = \$423,062) will be available to the State for its administration of the program. Any unobligated prior years' funds, for local projects will also be available for commitment to local projects, as well as any committed funds which may be subsequently recovered by the State and any additional funds which may be awarded to the State by HUD, less the State administration allowance.

DELETE PARAGRAPH #4 UNDER METHOD OF DISTRIBUTION

"In FFY 2007, the state will use up to one percent (1%) of the amount of the amount available to the state (\$107,688) for technical assistance to local governments and nonprofit program recipients."